

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

K

W-02886A  
Kohl's Ranch Water Company  
2111 East Highland Ave., Suite ~~210~~ 200  
Phoenix, AZ 85016

**ANNUAL REPORT**

**RECEIVED**

APR 06 2006

**Z Corporation Commission**  
**FOR YEAR ENDING Director of Utilities**

12	31	2005
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entered  
4-6-06  
RF

FOR COMMISSION USE

ANN04	05
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## COMPANY INFORMATION

**Company Name (Business Name)** Kohl's Ranch Water Company

**Mailing Address** Business Office: 2111 E. Highland Avenue, Suite 200  
(Street)

Phoenix

(City)

Arizona

(State)

85016

(Zip)

(602) 957-2777

Telephone No. (Include Area Code)

(602) 957-2780

Fax No. (Include Area Code)

(602) 432-6549

Pager/Cell No. (Include Area Code)

**Email Address** jholbrook@ilxresorts.com

**Local Office Mailing Address** HC-2 Box 96K  
(Street)

Payson

(City)

AZ

(State)

85541

(Zip)

(928) 478-4211

Local Office Telephone No. (Include Area Code)

(928) 478-0353

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

**Email Address** tkrehbiel@ilxresorts.com

## MANAGEMENT INFORMATION

**Management Contact:** John B. Holbrook Vice President  
(Name) (Title)

2111 E. Highland Avenue, Suite 200  
(Street)

Phoenix  
(City)

Arizona  
(State)

85016  
(Zip)

(602) 957-2777

Telephone No. (Include Area Code)

(602) 957-2780

Fax No. (Include Area Code)

(602) 432-6549

Pager/Cell No. (Include Area Code)

**Email Address** jholbrook@ilxresorts.com

**On Site Manager:** Ty Krehbiel

(Name)

202 S. Kohl's Ranch Lodge Road  
(Street)

Payson  
(City)

AZ

(State)

85541

(Zip)

(928) 478-4211

Telephone No. (Include Area Code)

(928) 478-0353

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

**Email Address** tkrehbiel@ilxresorts.com

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Nancy J. Stone

(Name)

2111 E. Highland Avenue, Suite 200

(Street)

Phoenix

(City)

AZ

(State)

85016

(Zip)

(602) 957-2777

Telephone No. (Include Area Code)

(602) 957-2780

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

**Attorney:** \_\_\_\_\_

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Kohl's Ranch Water Company

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	---	---	---
302	Franchises	---	---	---
303	Land and Land Rights	---	---	---
304	Structures and Improvements	---	---	---
307	Wells and Springs	2000.70	2000.70	0
311	Pumping Equipment	38,499.59	35,617.41	2882.18
320	Water Treatment Equipment	6199.25	6199.25	0
330	Distribution Reservoirs and Standpipes	---	---	---
331	Transmission and Distribution Mains	12,658.00	12,038.76	619.24
333	Services	---	---	---
334	Meters and Meter Installations	5420.00	5420.00	0
335	Hydrants	---	---	---
336	Backflow Prevention Devices	---	---	---
339	Other Plant and Misc. Equipment	---	---	---
340	Office Furniture and Equipment	150.00	150.00	0
341	Transportation Equipment	1000.00	1000.00	0
343	Tools, Shop and Garage Equipment	3133.19	3133.19	0
344	Laboratory Equipment	---	---	---
345	Power Operated Equipment	---	---	---
346	Communication Equipment	---	---	---
347	Miscellaneous Equipment	6875.17	6875.17	0
348	Other Tangible Plant	300.00	300.00	0
	<b>TOTALS</b>	<b>76,235.90</b>	<b>72,734.48</b>	<b>3501.42</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Kohl's Ranch Water Company

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	—	—	—
304	Structures and Improvements	—	—	—
307	Wells and Springs	2000.70	—	—
311	Pumping Equipment	38,499.59	.03	1077.80
320	Water Treatment Equipment	6199.25	—	—
330	Distribution Reservoirs and Standpipes	—	—	—
331	Transmission and Distribution Mains	12,658.00	.02	285.82
333	Services	—	—	—
334	Meters and Meter Installations	5420.00	—	—
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	150.00	—	—
341	Transportation Equipment	1000.00	—	—
343	Tools, Shop and Garage Equipment	3133.19	.03	95.59
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	6875.17	.01	33.65
348	Other Tangible Plant	300.00	—	—
	<b>TOTALS</b>	<b>76,235.90</b>	<b>.09</b>	<b>1492.86</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
 Acct. No. 403.

### **BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 5330.04	\$ 6559.09
134	Working Funds	—	—
135	Temporary Cash Investments	—	—
141	Customer Accounts Receivable	44.79	215.10
146	Notes/Receivables from Associated Companies	—	—
151	Plant Material and Supplies	—	—
162	Prepayments	676.50	725.53
174	Miscellaneous Current and Accrued Assets	—	—
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 6051.33</b>	<b>\$ 7499.72</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 73,202.03	\$ 76,235.90
103	Property Held for Future Use	—	—
105	Construction Work in Progress	—	—
108	Accumulated Depreciation -- Utility Plant	(71,241.62)	(72,734.48)
121	Non-Utility Property	—	—
122	Accumulated Depreciation -- Non Utility	—	—
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 1960.41</b>	<b>\$ 3501.42</b>
	<b>TOTAL ASSETS</b>	<b>\$ 8011.74</b>	<b>\$ 11,001.14</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 375.00	\$ 848.54
232	Notes Payable (Current Portion)	---	---
234	Notes/Accounts Payable to Associated Companies	210,818.43	261,911.48
235	Customer Deposits	---	---
236	Accrued Taxes	153.60	0
237	Accrued Interest	---	---
241	Miscellaneous Current and Accrued Liabilities	911.03	1048.72
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 212,258.06	\$ 263,808.74
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ ---	\$ ---
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ ---	\$ ---
252	Advances in Aid of Construction	---	---
255	Accumulated Deferred Investment Tax Credits	---	---
271	Contributions in Aid of Construction	---	---
272	Less: Amortization of Contributions	---	---
281	Accumulated Deferred Income Tax	---	---
	<b>TOTAL DEFERRED CREDITS</b>	\$ ---	\$ ---
	<b>TOTAL LIABILITIES</b>	\$ 212,258.06	\$ 263,808.74
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ ( 2250.00)	\$ (2250.00)
211	Paid in Capital in Excess of Par Value	(40,628.97)	(40,628.97)
215	Retained Earnings	(161,367.35)	(209,928.63)
218	Proprietary Capital (Sole Props and Partnerships)	---	---
	<b>TOTAL CAPITAL</b>	\$ (204,246.32)	\$ (252,807.60)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 8011.74	\$ 11,001.14

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 10,599.93	\$ 10,864.17
460	Unmetered Water Revenue	---	---
474	Other Water Revenues	---	---
	<b>TOTAL REVENUES</b>	<b>\$ 10,599.93</b>	<b>\$ 10,864.17</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 38,294.25	\$ 43,017.08
610	Purchased Water	---	---
615	Purchased Power	157.09	206.30
618	Chemicals	157.67	40.16
620	Repairs and Maintenance	537.40	2160.73
621	Office Supplies and Expense	0	26.68
630	Outside Services	143.75	0
635	Water Testing	5562.07	5817.57
641	Rents	---	---
650	Transportation Expenses	---	---
657	Insurance – General Liability	2138.50	2852.97
659	Insurance - Health and Life	0	---
666	Regulatory Commission Expense – Rate Case	---	---
675	Miscellaneous Expense	743.78	682.68
403	Depreciation Expense	1868.80	1492.86
408	Taxes Other Than Income	3269.50	3128.42
408.11	Property Taxes	574.91	607.03
409	Income Tax	50.00	50.00
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 53,497.72</b>	<b>\$ 60,082.48</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (42,897.79)</b>	<b>\$ (49,218.31)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ ---	\$ ---
421	Non-Utility Income	---	---
426	Miscellaneous Non-Utility Expenses	---	---
427	Interest Expense	---	---
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ ---</b>	<b>\$ ---</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (42,897.79)</b>	<b>\$ (49,218.31)</b>



**COMPANY NAME** **Kohl's Ranch Water Company**

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ **N/A**

Meter Deposits Refunded During the Test Year

\$ **N/A**

**COMPANY NAME** Kohl's Ranch Water Company

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
<u><b>Flowing Spring</b></u>		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
<b>1.5 HP</b>	<b>1</b>		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>

**COMPANY NAME** Kohl's Ranch Water Company

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	Galvanized	2,000 est.
3	Cement	10,000 est.
4		
5		
6		
8		
10		
12		
1	Galvanized	

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	133
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

**For the following three items, list the utility owned assets in each category.**

**TREATMENT EQUIPMENT:**

**chlorinator pumps (2)**

---

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**STRUCTURES:**

**chlorination room - block & frame**

**filter room - frame**

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---

**OTHER:**

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COMPANY NAME: Kohl's Ranch Water Company

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	123	458,600	Gravity Flow
FEBRUARY	123	193,120	
MARCH	123	302,909	
APRIL	123	295,760	
MAY	123	567,739	
JUNE	123	899,520	
JULY	123	967,989	
AUGUST	123	441,950	
SEPTEMBER	123	484,950	
OCTOBER	123	430,890	
NOVEMBER	123	322,580	
DECEMBER	123	181,608	
TOTAL		5,547,485	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (x) No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. < .0050 mg/l

(If more than one well, please list each separately.)

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME Kohl's Ranch Water Company YEAR ENDING 12/31/2005

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 607.03

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

APR 06 2006

Z Corporation Commission  
Director of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>John B. Holbrook, Vice President</u>
COMPANY NAME
<u>Kohl's Ranch Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

John B. Holbrook, VP  
SIGNATURE OF OWNER OR OFFICIAL

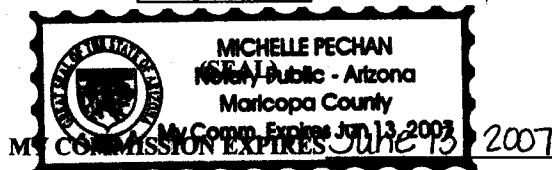
(602) 957-2777  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 5th DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u>
	<u>2006</u>



Michelle Pechan  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Kohl's Ranch Water Company

YEAR ENDING 12/31/2005

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>Loss</u>
Estimated or Actual Federal Tax Liability	<u>None</u>
State Taxable Income Reported	<u>Loss</u>
Estimated or Actual State Tax Liability	<u>\$50 minimum state required</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>---</u>
Amount of Gross-Up Tax Collected	<u>---</u>
Total Grossed-Up Contributions/Advances	<u>---</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Nancy J. Stone  
SIGNATURE4/5/06  
DATENancy J. Stone  
PRINTED NAMEPresident  
TITLE

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

APR 06 2006

Corporation Commission  
Director of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<b>Maricopa</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>John B. Holbrook, Vice President</b>
COMPANY NAME
<b>Kohl's Ranch Water Company</b>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 10,864.17

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 703.53  
IN SALES TAXES BILLED, OR COLLECTED)

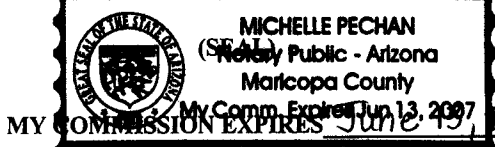
**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 5th DAY OF

COUNTY NAME
<u>Maricopa</u>
MONTH <u>April</u> YEAR <u>2006</u>



John B. Holbrook, VP  
SIGNATURE OF OWNER OR OFFICIAL  
(602) 957-2777  
TELEPHONE NUMBER

Michelle Pechan  
SIGNATURE OF NOTARY PUBLIC



VERIFICATION  
AND  
SWORN STATEMENT  
**RESIDENTIAL REVENUE**  
INTRASTATE REVENUES ONLY

**RECEIVED**

APR 06 2006

**Arizona Corporation Commission**  
**Director of Utilities**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <b>Maricopa</b>	
NAME (OWNER OR OFFICIAL) <b>John B. Holbrook</b>	TITLE <b>Vice President</b>
COMPANY NAME <b>Kohl's Ranch Water Company</b>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

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**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 10,864.17

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 703.53  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

John B. Holbrook, VP  
SIGNATURE OF OWNER OR OFFICIAL

(602) 957-2777  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

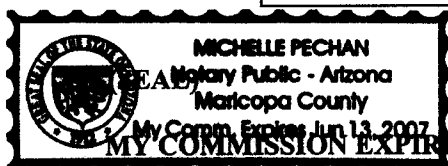
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

5th

DAY OF

NOTARY PUBLIC NAME <b>Michelle Pechan</b>	
COUNTY NAME <b>Maricopa</b>	
MONTH <b>April</b>	<b>.2006</b>



MY COMMISSION EXPIRES June 13, 2007

X Michelle Pechan  
SIGNATURE OF NOTARY PUBLIC

TAX ROLL NUMBER  
36021  
PARCEL IDENTIFICATION  
913-81-000 7  
TAX AREA CODE  
1000

IMPORTANT - SEE REVERSE SIDE FOR COMPLETE EXPLANATION OF YOUR 2005 TAX NOTICE AND PAYMENT INSTRUCTIONS.

913-81-000 7 36021  
KOHLS RANCH WATER CO  
JOHN B HOLBROOK/VP  
2111 E HIGHLAND #210  
PHOENIX AZ 85016

20026-11  
OK to pay  
T.P. 9/27/05

2005 TAX SUMMARY (3)		
PRIMARY AD VALOREM TAX		528.04
LESS STATE AID TO EDUCATION		0.00
NET PRIMARY AD VALOREM TAX		528.04
SECONDARY AD VALOREM TAX		82.98
SPECIAL DISTRICT TAX		0.00

05-3565

PAY TOTAL OR HALF TAX

TOTAL TAX DUE	528.04
HALF TAX	305.51

DELINQUENT DATES  
1st HALF NOV. 1, 2005  
2nd HALF MAY 1, 2006

THIS IS THE ONLY NOTICE YOU WILL RECEIVE  
NO RECEIPT WILL BE SENT UNLESS REQUESTED

PRIMARY PROPERTY TAX CALCULATION (1)						
ITEM	LIMITED VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	0	2.50	0	0	9.6007	0.00
PERSONAL PROPERTY	22000	2.50	5500	0	9.6007	528.04
TOTALS	22000		5500	0		528.04

SECONDARY PROPERTY TAX CALCULATION (2)						
ITEM	FULL CASH VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	0	2.50	0	0	15.085	0.00
BLDGS, ETC.	0	0	0	0	0	0.00
PERSONAL PROPERTY	22000	2.50	5500	0	15.085	82.98
TOTALS	22000		5500	0		82.98

TAX CODE		TAX JURISDICTION	2005 PRIMARY	2005 SECONDARY	2005 TOTAL	2004 TOTAL	DIFFERENCE
02000	GILA COUNTY		24255	00	24255	24255	0
02002	SCHOOL EQUALIZATION		2397	00	2397	2508	-111
07010	PAYSON SD #10		22694	6373	29067	28158	909
08150	COMMUNITY COLLEGE		3458	00	3458	3458	0
11900	FIRE DISTRICT ASSISTANCE FUND		00	550	550	550	0
14900	GILA COUNTY LIBRARY DISTRICT		00	1100	1100	1100	0
30001	NORTHERN ARIZONA VIT		00	275	275	275	0
TOTALS			52804	8298	61102	60304	798

APPROVED FOR PAYMENT  
*John Holbrook*

TEAR OFF ALONG DOTTED LINES

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
GILA CO. TREASURER  
POST OFFICE BOX 1093  
GLOBE AZ 85502

KOHLS RANCH WATER CO  
2111 E HIGHLAND #210  
PHOENIX AZ 85016

IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW. SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE. ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

TAX ROLL NUMBER  
36021  
PARCEL IDENTIFICATION  
913-81-000 7  
TAX AREA CODE  
1000

RECEIPT REQUESTED ( )

2005 2ND HALF COUPON

TO PAY 2ND HALF PAY 305.51

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2006



PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
GILA CO. TREASURER  
POST OFFICE BOX 1093  
GLOBE AZ 85502

KOHLS RANCH WATER CO  
2111 E HIGHLAND #210  
PHOENIX AZ 85016

IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW. SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE. ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

TAX ROLL NUMBER  
36021  
PARCEL IDENTIFICATION  
913-81-000 7  
TAX AREA CODE  
1000

RECEIPT REQUESTED ( )

2005 1ST HALF COUPON

TO PAY 1ST HALF ONLY PAY \* 305.51  
TO PAY FULL YEAR TAX PAY 611.02

NOTE: 1st HALF TAXES DELINQUENT AFTER NOV 1, 2005



10-25-05  
CK# 114442

## 2004 TAX NOTICE

JAN. 1, 2004  
TO  
DEC. 31, 2004

COUNTY OF GILA

ARIZONA

ADDRESS: POST OFFICE BOX 1093  
GLOBE AZ 85502EGAL DESCRIPTION: SECTION TWN RNG ACRES  
TOTAL VALUE OF OPERATING PROPERTY

USE 5500

TAX ROLL NUMBER	35852
PARCEL IDENTIFICATION	913-81-000 7
TAX AREA CODE	1000

20026-11

Ta P L P  
9/29/04did  
9/29/04IMPORTANT - SEE REVERSE SIDE  
FOR COMPLETE EXPLANATION OF  
YOUR 2004 TAX NOTICE AND  
PAYMENT INSTRUCTIONS.

913-81-000 7 35852

KOHLS RANCH WATER CO  
JOHN B HOLBROOK/VP  
2111 E HIGHLAND #210  
PHOENIX AZ 85016

01-24034

## 2004 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX	515.1
LESS STATE AID TO EDUCATION	0
NET PRIMARY AD VALOREM TAX	515.1
SECONDARY AD VALOREM TAX	87.9
SPECIAL DISTRICT TAX	0

## PAY TOTAL OR HALF TAX

TOTAL TAX DUE	603.0
HALF TAX	301.5

## DELINQUENT DATES

\*1st HALF NOV. 1, 2004  
-> 2nd HALF MAY 1, 2005THIS IS THE ONLY NOTICE YOU WILL RECEIVE  
NO RECEIPT WILL BE SENT UNLESS REQUESTED

PRIMARY PROPERTY TAX CALCULATION (1)						
ITEM	LIMITED VALUE	ASSTMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	0	2.50	0	0	9.3656	0.00
PERSONAL PROPERTY	22000	2.50	5500	0	9.3656	515.10
TOTALS	22000		5500	0		515.10

SECONDARY PROPERTY TAX CALCULATION (2)						
ITEM	FULL CASH VALUE	ASSTMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	0	2.50	0	0	15.989	0.00
BLDGS, ETC.	0	0	0	0	0	0.00
PERSONAL PROPERTY	22000	2.50	5500	0	15.989	87.94
TOTALS	22000		5500	0		87.94

2003-2004 TAX COMPARISON (4)						
TAX CODE	TAX JURISDICTION	2004 PRIMARY	2004 SECONDARY	2004 TOTAL	2003 TOTAL	DIFFERENCE
02000	GILA COUNTY	24255	00	24255	23153	110
02002	SCHOOL EQUALIZATION	2508	00	2508	2476	32
07010	PAYSON SD #10	21289	6869	28158	23910	4248
08150	COMMUNITY COLLEGE	3458	00	3458	3301	157
11900	FIRE DISTRICT ASSISTANCE FUND	00	550	550	525	25
14900	GILA COUNTY LIBRARY DISTRICT	00	1100	1100	1050	50
30001	NORTHERN ARIZONA VIT	00	275	275	263	12
TOTALS		51510	8794	60304	54678	5626

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
GILA CO. TREASURER  
POST OFFICE BOX 1093  
GLOBE AZ 85502

TAX ROLL NUMBER	35852
PARCEL IDENTIFICATION	913-81-000 7
TAX AREA CODE	1000

RECEIPT REQUESTED ( )

KOHLS RANCH WATER CO  
2111 E HIGHLAND #210  
PHOENIX AZ 85016\*IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.  
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.  
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

## 2004 2ND HALF COUPON

TO PAY 2ND HALF	PAY	301.52
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NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2005



04913810000072004000000030152

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
GILA CO. TREASURER  
POST OFFICE BOX 1093  
GLOBE AZ 85502

TAX ROLL NUMBER	35852
PARCEL IDENTIFICATION	913-81-000 7
TAX AREA CODE	1000

RECEIPT REQUESTED ( )

KOHLS RANCH WATER CO  
2111 E HIGHLAND #210  
PHOENIX AZ 85016\*IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.  
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.  
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

## 2004 1ST HALF COUPON

TO PAY 1ST HALF ONLY	PAY	301.5
TO PAY FULL YEAR TAX	PAY	603.0

NOTE: 1st HALF TAXES DELINQUENT AFTER NOV 1, 2004



04913810000072004000000030152

2/ 27879 27914 27915 27916 27918 27966  
 ILX Resorts Incorporated  
 2111 East Highland Suite 210  
 Phoenix, AZ 85016

29063  
 35852  
 980538

Wells Fargo  
 100 West Washington  
 Phoenix, AZ 85003

00107627

DATE	CHECK NUMBER
4/26/2005	107627

PAY

TWENTY-TWO THOUSAND SIXTY-SIX AND 90 / 100 Dollars

TO THE  
ORDER  
OF

GILA COUNTY TREASURER  
 PRIS KNUCKEY-RALLS  
 P.O. BOX 1093  
 GLOBE, AZ 85502

AMOUNT

\*\*\*\*\$2,066.90

*Joseph P Martini*  
*Nancy J Stone*

⑈00107627⑈ ⑆121000248⑆4945007565⑈

⑈0001201690⑈

<p>Document security includes: copy-void safety, microprint, and simulated watermark.</p> <p>FD-302 (Rev. 11-15-93)</p> <p>122105278</p>	<p>FOR DEPOSIT ONLY</p> <p>GILA COUNTY TREASURER</p> <p>DO NOT WRITE SLANT 1804047</p>	<p>PAY TO THE ORDER OF</p> <p>BANK ONE, ARIZONA, NA</p> <p>PHOENIX, ARIZONA</p> <p>122100024</p>	<p>WARNING: THE BACK OF THIS CHECK CONTAINS A SIMULATED WATERMARK. HOLD AT 45° ANGLE TO VIEW.</p>

Posting Date  
 5/2/2005

Posting Account  
 4945007565

Amount  
 \$22066.90

Serial No.  
 107627

Bank Reference No.  
 9580284379

CD Volume  
 20050531102301

ILX Resorts Incorporated  
2111 East Highland Suite 210  
Phoenix, AZ 85016

Wells Fargo  
100 West Washington  
Phoenix, AZ 85003

00114442

1/2 28030-28031-28064-28065-28066-28067-28068-28069-  
28117-28131-29214-36021-980563

DATE	CHECK NUMBER
10/25/2005	114442

PAY

TWENTY-TWO THOUSAND SEVEN HUNDRED SEVENTY-TWO AND 65 / 100 Dollars

TO THE  
ORDER  
OF

GILA COUNTY TREASURER  
PRIS KNUCKEY-RALLS  
P.O. BOX 1093  
GLOBE, AZ 85502

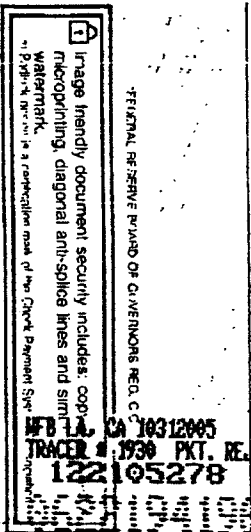
AMOUNT

\*\*\*\*\*22,772.65

*Joseph P. Martini*  
*Fancy J. Stone*

⑈00114442⑈ ⑆121000248⑆4945007565⑈

⑈0002277265⑈



AMERICAN CHASE BANK, NA  
FORT WORTH, TX 76102  
⑈1119013314⑈

⑈140099576⑈

WARNING: THE BACK OF THIS CHECK CONTAINS A  
SIMULATED WATERMARK - HOLD AT AN ANGLE TO VIEW  
X BANK ONE, ARIZONA, NA  
PHOENIX, ARIZONA  
FOR DEPOSIT ONLY  
GILA COUNTY TREASURER  
11804047  
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
SECURITY FOR ENRICHMENT - 10/11/05

Posting Date	Posting Account	Amount	Serial No.	Bank Reference No.	CD Volume
10/31/2005	4945007565	\$22772.65	114442	9570589917	20051031100501